

PHILIP MORRIS

U.S.A.

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ELLEN MERLO
SENIOR VICE PRESIDENT
CORPORATE AFFAIRS

January 29, 1997

Mr. Fred Jones
President
Summit Management Corp.
4466 Elvis Presley Blvd., Suite 248
Memphis, TN 38116

Dear Fred:

It is our pleasure to invite you to our fourth "Straight Talk" conference to discuss issues of mutual concern to both our companies. The conference will be held on Monday, March 10th, at the Grand Hyatt Hotel on East 42nd Street (between Park and Lexington Avenues), in New York City.

Since we launched the annual "Straight Talk" meetings three years ago, valued suppliers like you have been instrumental in addressing a variety of serious challenges in the public policy arena. In 1994, we worked together successfully to oppose a proposal to raise the federal cigarette excise tax by 75 cents per pack. In addition, our collective efforts have helped to challenge the Occupational Safety and Health Administration's (OSHA's) proposed virtual ban on indoor smoking in workplaces. Last year, many of you wrote letters to the FDA docket expressing your opposition to the Agency's illegal assertion of jurisdiction over tobacco products. Although the FDA proceeded on its predetermined course, your support and that of other concerned individuals and businesses, helped make the Agency aware of widespread opposition to its regulatory scheme.

This year's "Straight Talk" conference will continue to deal primarily with the threat posed by the FDA's illegal assertion of jurisdiction over the tobacco industry. Jim Morgan, President and CEO of Philip Morris USA, will join us for this session. In addition, the speakers will include Steve Parrish, Senior Vice President Corporate Affairs, Philip Morris Companies Inc., and other representatives from our New York and Washington, DC offices.

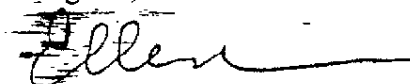
The conference will begin with registration at 11:30 a.m., followed by a luncheon at noon. Jim Morgan will be our luncheon speaker and will be available to answer any questions you might have. Issues briefings will follow and the meeting will conclude at approximately 4:00 p.m. If you are unable to attend, I hope you will be able to have a colleague from your firm represent you.

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Please choose the person you think would benefit most from a public affairs briefing and discussion. Once you know who will be attending, please fill out the enclosed Registration Form. We would greatly appreciate hearing from you by Monday, February 17th. Please fax the completed form to Alan Miller at (212) 907-5315.

If you have any questions or need more information, please call Alan at either (212) 880-3521 or 1-800-295-2711. We look forward to seeing you on March 10th for what promises to be an enjoyable and informative event.

Best regards,



cc: Jose Fontanez

Encl.

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